

## **Mid Devon District Council**

### **Annual Governance Statement 2024/25**

**SUBJECT TO CONSIDERATION AND APPROVAL BY THE AUDIT COMMITTEE  
SUBJECT TO REVIEW AND SIGNING BY THE LEADER AND CHIEF EXECUTIVE**

#### **1. Executive Summary**

- 1.1. Mid Devon District Council has reviewed its governance framework during 2024/25 and has concluded that it remains effective, robust and fit for purpose. Assurance has been gleaned from a raft of sources ranging from internal check and challenge through to external review by auditors and regulators.
- 1.2. Previous weaknesses highlighted within prior Value for Money conclusions have been addressed through the closure of the arm's length company and the ongoing work to refund the overpayment of rent arising from the historic error in the calculation.
- 1.3. As always, we continue to look for ways of how we can improve. There are agreed action plans in place resulting from our Internal Audit, External Audit and Independent Assessment process – progress on these reports is provided to the Audit Committee on a regular basis.
- 1.4. The more significant areas where improvements are required are highlighted in the Action Plan accompanying this AGS. The Action Plan (at **Appendix A**) includes reference to the lead officers for each action and the target date for completion.

#### **2. Approval**

- 2.1. The undersigned are satisfied that the assessment is accurate and indicates that appropriate governance arrangements are in place at Mid Devon District Council.
- 2.2. We will ensure that steps to address matters raised in the assessment to further enhance our governance arrangements will be taken over the coming year.

Cllr Luke Taylor  
**Leader of the Council**  
**Mid Devon District Council**

Date: 15.12.25

Stephen Walford  
**Chief Executive**  
**Mid Devon District Council**

Date: 15.12.25

### **3. Introduction**

- 3.1. The governance framework generally refers to the culture, values, systems, and processes by which an organisation is directed, controlled and held to account. The Council's governance framework aims to ensure that in conducting its business it operates in a lawful, open, inclusive and honest manner, makes sure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively, maintains effective arrangements for the management of risk and secures continuous improvement in the way that it operates.
- 3.2. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance.
- 3.3. Additionally, an effective governance framework enables the Council to monitor the achievement of its corporate objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.
- 3.4. The Accounts and Audit Regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its system of internal control, and to include a statement, known as the Annual Governance Statement (AGS), reporting on the review with any published Statement of Accounts.
- 3.5. The following report provides members and senior officers with the results of our yearly assessment of how well we are identifying, assessing, managing, and controlling risks, achieving our aims, and meeting the responsibilities we have by law.
- 3.6. It should be noted that the governance framework needs to have operated for the entire financial year and up to the approval date of the Statement of Accounts. It is recognised that, during the year, new risks and challenges will present that management need to address. MDDC continually seeks to improve its governance arrangements and evidence of continued "best practice" is found within the governance review below. Arrangements are reviewed on a continual basis and where weaknesses have been found they are addressed as is demonstrated in the Action Plan (**Appendix A**).

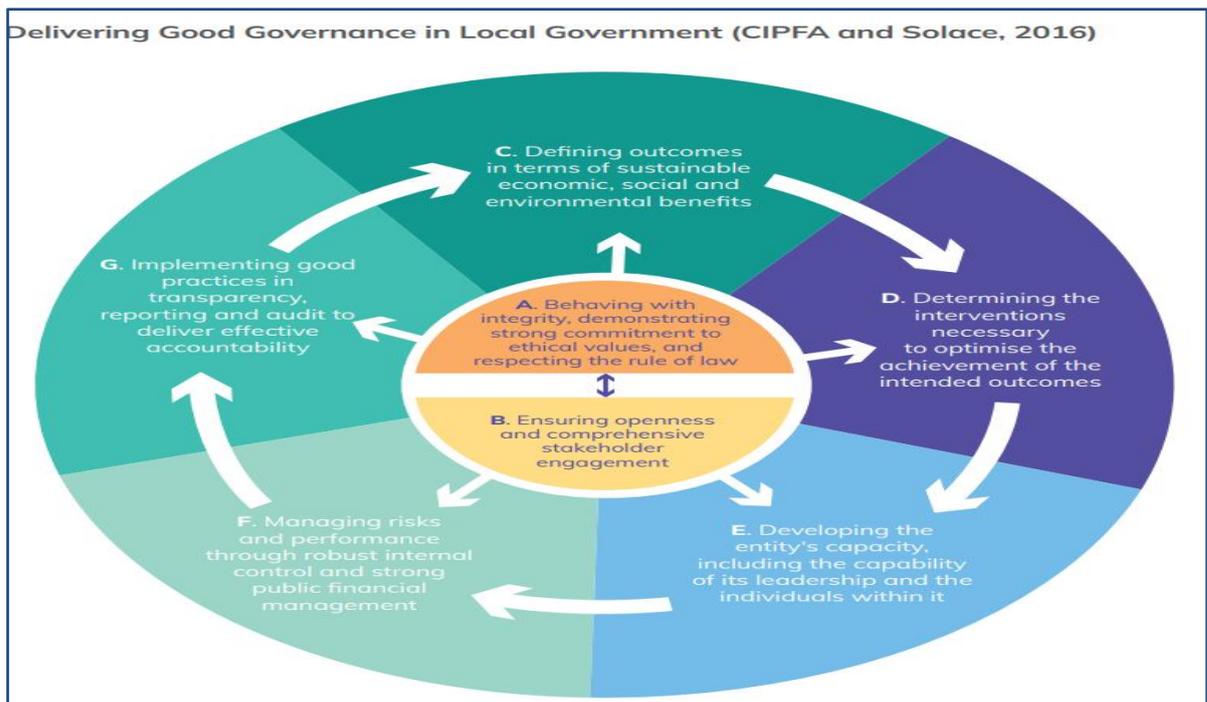
### **4. The Governance Framework**

- 4.1. In England, the Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement (AGS) must be "prepared in accordance with proper practices in relation to accounts". Therefore, for a local authority in England this requires the statement to be in accordance with Delivering Good Governance in Local Government: Framework (2016) (amended May 2025) and the CIPFA/LASAAC Code

of Practice on Local Authority Accounting. In preparing and publishing this Statement, we therefore meet these statutory requirements.

4.2. The framework is intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to evaluate strengths and weaknesses in the governance framework and ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities. We have assessed our approaches below, against the following seven principles: -

- A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;
- B: Ensuring openness and comprehensive stakeholder engagement;
- C: Defining outcomes in terms of sustainable economic, social, and environmental benefits;
- D: Determining the interventions necessary to optimise the achievement of the intended outcomes;
- E: Developing the entity's capacity, including the capability of its leadership and the individuals within it;
- F: Managing risks and performance through robust internal control and strong public financial management;
- G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability.



- 4.3. In December 2019, CIPFA introduced their Financial Management Code (FM Code) to reflect exceptional financial circumstances faced by local authorities. Previous CIPFA work had revealed fundamental weaknesses in financial management at some councils (not Mid Devon), particularly in relation to organisations that may be unable to maintain services in the future. The FM Code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. Each local authority must demonstrate that the requirements of the code are being satisfied. Demonstrating this compliance with the FM Code is a collective responsibility of Elected Members, the Chief Finance Officer (S151) and their professional colleagues in the Leadership Team.
- 4.4. The Authority has carried out a self-assessment against the 17 Standards of the FM Code and has identified no areas of concern with regard to compliance with the FM Code.

## **5. Significant event's in 2024/25 impacting Governance**

- 5.1. On 6 September 2023, Mid Devon District Council agreed to “soft close” the Council’s subsidiary company, 3 Rivers Developments Ltd (3Rivers), with all assets being realised and a commitment to paying all contractors, suppliers and tradesmen in full. All assets were sold and loan repayments were completed during 2023/24, leaving the company dormant and awaiting voluntary strikeoff. This formally completed on 26 November 2024.
- 5.2. During the 2023/24 audit our new incumbent auditor, Bishop Fleming, identified that one integral part of a historic formula used to calculate tenant’s rents had been incorrectly applied. This resulted in all tenant’s rents being incorrectly set for a number of years.

As soon as this isolated error was identified and evaluated we; self-referred ourselves to the Regulator for Social Housing (RSH) and are having ongoing discussions with the RSH, the Department for Work & Pensions (DWP), Bishop Fleming (BF), the Devon Audit Partnership (DAP) the Valuation Office (VOA) and have secured an external legal opinion from a KC.

The Council has developed a comprehensive recovery plan, that was agreed by Cabinet on 10 December 2024. The report and the key actions for our recovery strategy can be found at: [Cabinet 10-12-24 - Housing Rents 2024.pdf](https://democracy.middevon.gov.uk/documents/s32091/Cabinet%2010-12-24%20-%20Housing%20Rents%202024.pdf)<sup>1</sup>

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<sup>1</sup> <https://democracy.middevon.gov.uk/documents/s32091/Cabinet%2010-12-24%20-%20Housing%20Rents%202024.pdf>

On 30 April 2025, the Housing Regulator published their view on how the Council is managing this corrective process and meeting the regulatory standards. This can be found here: [Mid Devon District Council - GOV.UK<sup>2</sup>](https://www.gov.uk/government/publications/mid-devon-district-council/mid-devon-district-council-18ud-regulatory-judgement-30-april-2025)

- 5.3. From the beginning of 2024/25, a new Policy Development Group was created, focusing on Service Delivery and Continuous Improvement. This increased the number of policy development groups to five and increases the scrutiny of the council policies, increases the involvement and engagement of more elected members and overall transparency. This new PDG has responsibility for several key service areas include Waste, Leisure and Customer engagement and complaints.
- 5.4. In response to the recommendations from the Independent Review by Sir Tony Redmond on the effectiveness of external audit and integrity of financial reporting and governance processes, a suitably qualified Co-Opted Independent Member was added to Audit Committee during the 2024/25 year. Appointed through DAP, their role is to provide experience and expertise in audit, accountancy, finance and risk management to advise the Committee in these areas, but they shall have no voting rights'. It is intended that a regular person from those recruited by Devon Audit Partnership will attend Mid Devon District Council's audit committee, but should they be unavailable for any particular meeting, Devon Audit Partnership will provide a substitute.

## 6. Our Assessment of the Effectiveness of the Governance Framework

- 6.1. The effectiveness of the governance framework is reviewed by the Deputy Chief Executive (s151), supported by the Senior Leadership Team. The review considered the following areas:
  - a) Adherence to the 2016 CIPFA / SOLACE framework, Delivering Good Governance in Local Government (amended May 2025).  
Our self-assessment against the Code is included at **Appendix B**
  - b) The work of Internal Auditor, Devon Assurance Partnership  
The internal auditor provides a review of internal controls and assurance opinion on the adequacy and effectiveness on the Council's internal control environment for the year to date. This supports the Statement of Accounts assessment that they give a true and fair view of the Authority's financial position at the reporting date and its financial performance during the year.  
See **Section 8.1** for their our assessment of Internal Controls.

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<sup>2</sup> <https://www.gov.uk/government/publications/mid-devon-district-council/mid-devon-district-council-18ud-regulatory-judgement-30-april-2025>

- c) The External Auditors, Bishop Fleming.  
The external auditor concluded their 2023/24 accounts audit and their Value for Money conclusion report for 2023/24 to Audit Committee in January 2025.  
See **section 8.2** below.
- d) The role played by Members.
- i. As accountable democratically elected representatives, in providing community leadership, delivering clear policy and financial direction, scrutinising decisions as well as fulfilling regulatory and quasi-judicial duties.
  - ii. Through the challenge to Cabinet on route to the approval of regular management and performance information presented to Committees.  
The Policy Development Groups assist the Council and the Cabinet in the development of its budget and policy framework by in-depth analysis of current provision, performance and policy issues, feeding back areas of concern to Cabinet;  
The Scrutiny Committee can, and does, challenge Cabinet decisions; and the Audit Committee can and does challenge management over areas of concern identified in audit reports (internal and external) throughout the year.

**Appendix C** details the key governance impacts of Members' work.

- e) The work of the Senior Leadership Team who have responsibility for the development and maintenance of the control and governance environment. In particular:
- i. The Monitoring Officer has monitored the Council's compliance with the law and considers that, overall, high standards of conduct have been maintained by both officers and members. The Monitoring Officer has managed any amendments to the Constitution and has ensured the decision-making process has been transparent.
  - ii. The Council's Section 151 Officer has had in place an appropriate internal control framework that has ensured financial transactions have been properly accounted for and ensured financial implications are considered in the delivery of corporate objectives and overseen the effectiveness of the overarching strategic financial processes (e.g., budget setting, financial planning, revenue and capital expenditure monitoring, treasury management).
- f) The system of internal control  
The process is designed to identify and prioritise the risks to the achievement of Mid Devon District Council's (MDDC) policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised. As part of their business-as-usual operations, Service Managers

frequently review and amend their risk registers, with Leadership Team ensuring they are managed efficiently, effectively and economically.

The Corporate Risk Register was reported to every Audit Committee during 2024/25. The Audit Committee also considered the effectiveness of the risk management framework in March 2024 and approved a revised Risk Management Policy to be applied from 2024/25.

See **Section 7** for our assessment of Risks.

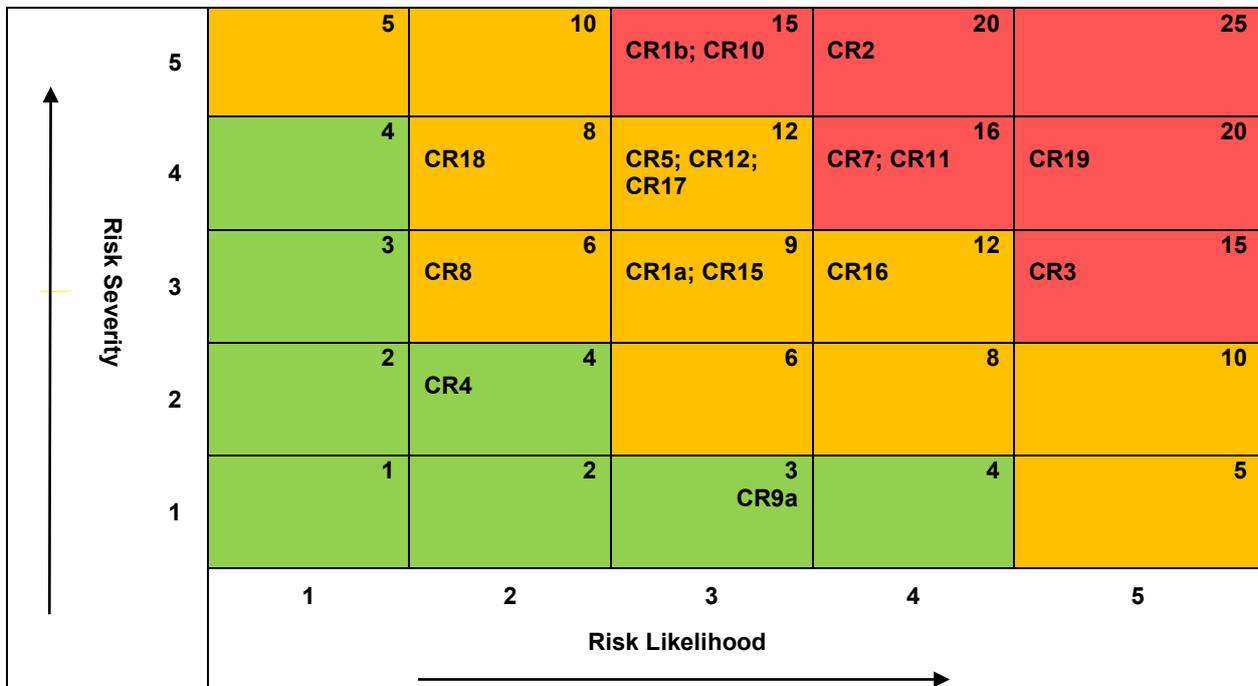
- g) The ongoing review throughout the year of policies and procedures that underpin the delivery of services alongside new initiatives introduced to enhance governance and/or service delivery.
- h) Periodically, or if requested, regulators undertake inspections of our systems and processes to gain their own assurance that the council is handling matters appropriately.

## 7. Risk Management

- 7.1. The risk management system and process of the Council continue to be developed and refined. Our aim is to promptly identify and score new and current challenges and risks, so that we have good visibility of these, and to ensure that the action we take to limit exposure is recorded, understood and communicated and effectively managed. The Committee reviewed and agreed the Annual Risk Management Policy covering the financial year in March 2025.
- 7.2. The Audit Committee provide oversight over the risk management process, ensuring that the Council gives due regard to the risks identified. As expected, the higher risks to the Council change over time, and so it is important to consider the most recent report prepared by managers and considered by members. However, and as context for the risks affecting the Council at the time of writing this report, the key corporate risks as at 31 March 2025 were: -

Risk Name		Risk Owner	Risk Rating		
			Current	Trend	Target
CR1a	Culm Garden Village – Loss of capacity funding	Adrian Welsh	9	↓	9
CR1b	Culm Garden Village – Delay/ impact to project arising from infrastructure delays	Adrian Welsh	15	↔	15
CR2	Cyber Security	Brian Trebilcock	20	↔	15
CR3	Failure to meet Climate Change Commitments by 2030	Paul Deal	15	↔	9
CR4	Homes for Ukraine Scheme	Simon Newcombe	4	↔	9
CR5	Information Security	Lisa Lewis	12	↔	8
CR7	Financial Sustainability	Paul Deal	16	↔	12

Risk Name		Risk Owner	Risk Rating		
			Current	Trend	Target
CR8	Quality of Planning Committee Decisions	Richard Marsh	6	↓	3
CR9a	Reputational Impact of 3 Rivers	Stephen Walford	3	↔	2
CR10	Cullompton Town Centre Relief Road	Adrian Welsh	15	↔	15
CR11	Cost of Living Crisis	Dean Emery	16	↔	16
CR12	Housing Crisis	Simon Newcombe	12	↔	9
CR15	Corporate Property Fire Safety	Stephen Walford	9	↔	6
CR16	Building Control Service viability	Andrew Howard	12	↔	2
CR17	Severe Weather Emergency Recovery	Simon Newcombe	12	↔	9
CR18	Housing Rent Error Correction	Simon Newcombe	8	New	3
CR19	Devolution and Local Government Reorganisation	Stephen Walford	20	New	15



7.3. Strategic Risk Management training is available for officers. This will supports officers to manage risk. Additional guidance and training will be developed for officers and Members as required.

## 8. Independent Assurance Reports

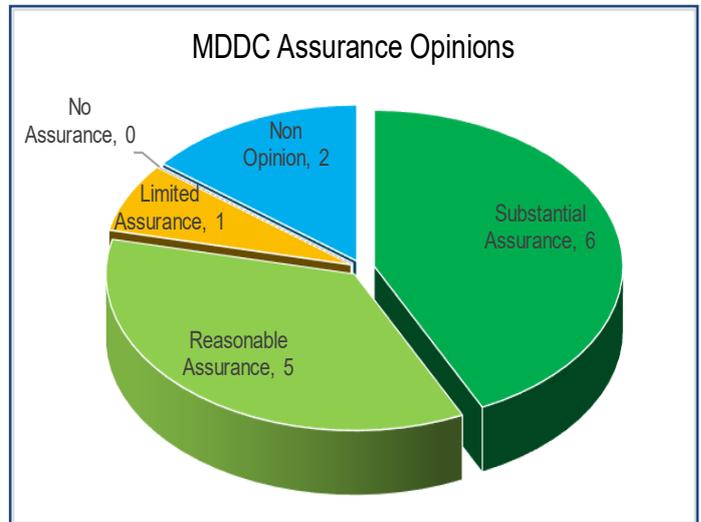
### 8.1. Internal Audit Reports

8.1.1. Our internal audit plan is designed to review those areas carrying the greatest risk and those areas where we require independent assurance. During the year the work of Internal Audit (via Devon Audit Partnership (DAP)) is reported to the Audit Committee.

8.1.2. The conclusion from DAP is an overall opinion as follows:

“Based on work performed to date during 2024-25, our experience from previous years, the outcome of the Annual Follow Up exercise and the information in the ongoing Assurance Mapping exercise, the Head of Internal Audit’s Opinion on the adequacy and effectiveness of the Authority’s internal control framework is one of “Reasonable Assurance”.

No area reviewed was classified as having ‘no’ assurance.



Substantial assurance	Reasonable assurance	Limited assurance	Opportunity / Non-Opinion	In Progress (at year end)	Deferred (at MDDC Request)
Insurance	Main Accounting System	Building Control – Follow up	CAF – High Level Self Assessment	Procurement	Capital Asset Management
Treasury & Cashflow Management	Climate Change		Cullompton – Heritage Action Zone Grant	Commercial Rents	Vehicle & Fuel (including Inventory & Maintenance)
Sickness & Other Time Off	Gifts & Hospitality / Register of Interests			Corporate Plan	Internal Communications
Letting of Housing Stock	Firewalls			Staff Performance & Appraisals	Economic Regeneration
Risk Management	Private Water Supplies			Care Services (Alarm Income)	Planning Enforcement
Food Safety				Lords Meadow Leisure Centre	Licensing
				Legal Services	
				Patch Management	
				Repairs and Maintenance	
				Service Charges	

This year’s mix of opinions compares to the 6 Substantial, 5 Reasonable and 1 Limited Assurance (from previous year) and 2 non-audit opinion reviews provided for 2024/25 acting as a “trusted advisor” giving support and effective and constructive feedback.

### 8.1.3. Where we can improve

Although there were no “Limited Assurance” opinions given during the year, there are some areas carried forward from 2023/24 that we consider it is appropriate to re-highlight to in this Annual Governance Statement. These areas were: -

- a) Building Control: The main issues related to having sufficient building control officers, which continue from the previous audit. Plans are being acted upon but recruitment into this specialist area remains challenging.
- b) Exe Valley Leisure Centre: Following changes in key staff, the completion and audit trail related to statutory Health & Safety checks needs improvement. Also, maintenance was too heavily focused on reactive maintenance and impact of asset availability.
- c) Voids Management – General Fund: Clarity is required on the underlying reasons for holding these commercial properties, considering whether value or benefits from these properties outweigh the risk and cost of owning them. The lack of strategy, purpose and sufficient resource for managing these properties results in this Limited Assurance Opinion.
- d) Information Management Follow Up: Although progress has been made against the previous recommendations, the departure of the Data Protection Officer has delayed the reassessment of some areas.

All the above audits were all concluded April/May 2024, after the audit plan for 2024/25 was agreed, therefore the follow-up audits are included within the 2025/26 plan and will be reported to the next Audit Committee following the review.

At the year end, there were a total of 36 recommendations outstanding; 1 High but not yet overdue, 21 Medium, of which 9 are overdue, 11 Low of which 9 are overdue.

The Action Plan arising from this years review is shown at **Appendix A**.

8.1.4. DAP’s Counter Fraud Resilience and Assessment report, which is completed on all Devon District partners in support of the Councils Counter Fraud processes and capability, found improvement moving towards an ever-stronger assurance position. The benchmarking against best practice exercise is encouraging and supports the opinion that the Council is committed to reducing fraud losses to the minimum level possible.

## 8.2. External Audit

8.2.1. Bishop Fleming, the Council’s External Auditors provided their Annual Audit Report for the 2023/24 financial year on 21 January 2025. The report confirmed that they had not identified any significant adjustments to the financial statements.

8.2.2. The 2023/24 Value for Money opinion was considered by the Audit Committee on 3 December 2024. It identified two significant weaknesses in arrangements:

1. Improving Economy, Efficiency and Effectiveness:

This was a reiteration that the Council did not exercise its shareholder role effectively, contributing to the failure of the arm's length company and significant financial loss, as identified by in the previous years audit.

2. Governance:

The second was the identification of a historic error in the rent setting calculation for housing tenants.

No significant weaknesses were noted in relation to financial sustainability.

### 8.2.3. How we have improved

In respect of the first weakness, this was reiterated due to the timing of the 2022/23 recommendation (April 2024) and the timeframe for the Council to close the company, the auditor concluded that the weakness remained during 2023/24. The company was formally dissolved on 26 November 2024, therefore this weakness no longer exists.

With regard to the second weakness, the error in the social rent calculation, the council has taken a number of proactive steps to address the matter, including:

- Self-referring ourselves to the Social Housing Regulator;
- Keeping tenants aware of the situation and the steps we are taking to resolve the matter, ultimately leading to a potential refund to many tenants;
- Correcting the formulae – and having this externally verified;
- Engaging with the Department for Work & Pensions in respect of the implication for Universal Credit and Housing Benefits;
- Engaging with our auditors (internal and external) and the Valuations Office;
- Sought external legal advice from Kings Counsel;
- Forming an officer working group to progress through the detailed investigations and consider all aspects of how the corrections can be delivered in the most timely and effective manner, whilst considering any additional support our tenants may require during this process.

The Council forecast it will be in a position to issue the first tranche of refunds in the first half of 2025/26.

8.3. There was one piece of external assurance completed by Bridewell (via MHCLG) on Cyber Assessment Framework in January, with further work continuing through to the end of March. The assessment provided an opportunity for early adopters to

obtain independent assurance free of charge. The resulting Improvement Implementation Plan (IIP) provides a comprehensive plan for improving the Council's security management and risk mitigation efforts, with clear priorities, timelines, and responsibilities, covering the following key areas:

- Governance and Security Risk Management;
- Implementation Priorities and Timeline Expectations;
- Key Recommendations and Risks;
- Ownership and Roles Responsible;
- Cost, Effort and Complexity; and
- Status and Priority Levels.

## **9. Forward Look**

9.1. In December 2024, the government announced their plans for further devolution. In Devon, this indicates the merging of upper and lower tier local authorities to large unitary organisations. This is likely to have an impact on our governance as we work in partnership across authority boundaries to identify the best solution for local residents and business communities.

## **10. Conclusion**

10.1. Overall it is considered that the Authority has a robust Governance Framework and welcomes scrutiny as it further enables the Council to be assured that its governance arrangements are sound but also treated as a live and evolving framework which can adapt and respond to changes in the environment in which it operates.

10.2. Following a review of the sources of assurance and evidence to support this AGS, it is our opinion that the Council's control environment operated effectively and provided an adequate level of control over identified risks in the 2024/25 financial year.

**Appendix A****Action Plan for issues arising from the 2024/25 Annual Governance Statement process**

Ref	Action Arrising	Responsible Officer	Date
1	<p>Ensure the agreed action in Internal Audit reports are fully completed. This includes the following internal audit reviews carried forward from 2023/24 where Limited assurance was provided: -</p> <ul style="list-style-type: none"> <li>a) Building Contol</li> <li>b) Exe Valley Leisure Centre</li> <li>c) Voids Management – General Fund</li> <li>d) Information Management – follow up</li> </ul>	<ul style="list-style-type: none"> <li>(a) Director of Place and Economy</li> <li>(b) Head of: Revenues, Benefits, Corporate Recovery, Corporate Fraud, Welfare &amp; Leisure</li> <li>(c) Head of Finance, Property and Climate Resilience and Head of Housing and Health</li> <li>(d) Head of Digital Transformation &amp; Customer Engagement</li> </ul>	As per the individual internal audit reports

## Appendix B

## Self Assessment against the 2016 CIPFA / SOLACE Framework.

## Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

How We Meet these Principles	Where You Can See Governance in action
<b>Behaving with integrity</b>	
<ul style="list-style-type: none"> <li>We operate an appraisal scheme for all staff to identify development and skills needs and assess performance.</li> </ul>	This is now being monitored via the Learning Management System online
<ul style="list-style-type: none"> <li>We have Codes of Conduct for Staff</li> </ul>	Officers code of conduct The <a href="#">Code of Conduct for Councillors</a> and Co-opted Members was approved by Full Council. Members Code of Conduct training is carried out by the Monitoring Officer.
<ul style="list-style-type: none"> <li>We provide new Members and staff with induction training on appointment.</li> </ul>	New Councillors Induction Programme Staff Induction Policy New staff members are required to complete a comprehensive suite of courses related to H&S and other related areas such as manual handling.
<ul style="list-style-type: none"> <li>Our constitution sets out how the Council and committee meetings operate.</li> </ul>	<a href="#">Constitution</a>
<ul style="list-style-type: none"> <li>Declarations of interest made at meetings are published with minutes and on our website.</li> </ul>	For members, this is recorded against each individual members website record.
<ul style="list-style-type: none"> <li>We have Registers of Interests (ROI) and Gifts &amp; Hospitality for Members and Staff.</li> </ul>	<a href="#">Your Councillors - MIDDEVON.GOV.UK</a> Each Council has their own ROI available via the above link. Gifts & Hospitality and Declarations are audited periodically by Internal Audit.
<ul style="list-style-type: none"> <li>Our Whistleblowing policy was reviewed in March 2025.</li> </ul>	<a href="#">Whistleblowing policy</a> Monthly updates are given to Scrutiny Committee.

How We Meet these Principles	Where You Can See Governance in action
<ul style="list-style-type: none"> <li>We have a clear complaints procedure on our website and an up-to-date Customer Care Policy.</li> </ul>	<p><a href="#">Complaints Procedure</a> <a href="#">Customer Care Policy</a></p> <p>A staff survey was undertaken in autumn 2023 to help identify if staff had any concerns or issues. An action plan to address the matters raised has been developed and is being implemented. The next staff survey is being planned for Autumn 2025.</p>
<ul style="list-style-type: none"> <li>We take the Health and Safety of our Staff extremely seriously.</li> </ul>	<p>We have a dedicated member of staff who's sole focus is the health and safety of our staff and customers. They attend sites and team meeting to critically review and add value to operational processes.</p> <p>H&amp;S awareness and mitigation is embedded within all service areas</p> <p>We hold regular internal Health and Safety Committee meetings</p>
<ul style="list-style-type: none"> <li>We evaluate the training needs of Members and run briefings on key topics to ensure they have the knowledge and information to make effective decisions.</li> </ul>	<p><a href="#">Member Development Policy</a></p>
<ul style="list-style-type: none"> <li>We operate a protocol to govern the relationship between Members and officers that ensures access to appropriate information.</li> </ul>	<p><a href="#">Protocol on Member/Officer Relations</a></p> <p>In the Constitution – Part 5 – Codes and Protocols See the Constitution</p>

<b>Demonstrating strong commitment to ethical values</b>	
<p>The Council has the following documents which are relevant:</p> <ul style="list-style-type: none"> <li>• Officers' Code of Conduct</li> <li>• Members' Code of Conduct</li> <li>• Protocol on Member/Officer Relations</li> <li>• Guidance for Members and staff on hospitality and gifts</li> <li>• Protocol of good practice for councillors dealing in planning matters</li> <li>• Staff Charter to communicate expected values and behaviours.</li> <li>• Financial regulations</li> </ul>	<p>All of these are considered within our Constitution</p> <ul style="list-style-type: none"> <li>• <a href="#">Cllrs code of conduct</a></li> <li>• <a href="#">Staff Charter</a></li> <li>• Our <a href="#">Financial Regulations</a> were updated in March 2025.</li> </ul>
<b>Respecting the rule of law</b>	
<ul style="list-style-type: none"> <li>• The Constitution is under continuous review any significant changes are taken through the Standards Committee.</li> </ul>	<p><a href="#">Constitution</a></p>
<ul style="list-style-type: none"> <li>• We ensure we comply with Statutory Provisions.</li> </ul>	<p>Adherence to legislation is confirmed in each audit review undertaken</p>
<ul style="list-style-type: none"> <li>• Compliance with CIPFA's <i>Statement on the Role of the Chief Financial Officer in Local Government</i> (CIPFA, 2015)</li> </ul>	<p><a href="#">The role of the Chief Financial Officer in local government</a></p>
<ul style="list-style-type: none"> <li>• We have effective and up-to-date anti-fraud and corruption policies and procedures</li> </ul>	<p>See our <a href="#">Fraud and Corruption</a> pages</p>
<ul style="list-style-type: none"> <li>• Legal advice is given either as a stand-alone piece of advice or in relation to a case on which Legal Services are instructed to advise.</li> </ul>	<p>The Council has its own internal legal function, but also commissions legal advice externally where it does not have the expertise or capacity internally.</p>

<ul style="list-style-type: none"> <li>We recognised the importance of having effective arrangements in place for the Monitoring Officer function by updating and strengthening the role of the Monitoring Officer in the Council and recruiting a suitably qualified person for the post.</li> </ul>	<p>The Director of Legal, HR &amp; Governance (Monitoring Officer) is a qualified solicitor.</p>
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### Principle B: Ensuring openness and comprehensive stakeholder engagement

How We Meet these Principles	Where You Can See Governance in action
<b>Openness</b>	
<ul style="list-style-type: none"> <li>We publish agendas and minutes for all our meetings on our website.</li> </ul>	<p><a href="#">Browse Meetings, MIDDEVON.GOV.UK</a> We publish recordings of all our meetings on the website (with the exception of Part 2 business and in certain other limited circumstances on an exceptional basis).</p>
<ul style="list-style-type: none"> <li>We publish key decisions on the website</li> </ul>	<p><a href="#">Forthcoming Decisions</a></p>
<ul style="list-style-type: none"> <li>We have a FOI publication scheme</li> </ul>	<p><a href="#">Publication Scheme - MIDDEVON.GOV.UK</a></p>
<ul style="list-style-type: none"> <li>We have a calendar of dates for public meetings, and internally for submitting, publishing and distributing timely reports.</li> </ul>	<p><a href="#">2024/25 Schedule of meetings</a></p>
<ul style="list-style-type: none"> <li>Procurements are competed through Pro Contract, and details of all our contracts are held on that system.</li> </ul>	<p>The DAP Internal Audit report on procurement provided a 'Reasonable Assurance' opinion.</p>
<b>Engaging comprehensively with institutional stakeholders</b>	
<ul style="list-style-type: none"> <li>We meet with our local colleges of FE and key local employers to discuss how the Council can support their work</li> </ul>	<p><a href="#">Communication and Engagement Strategy</a> and <a href="#">Media and Social Media Policy</a> were recommended for approval by Community PDG in June 2023 DAP reviewed the new Engagement Strategy and Policy and confirmed it mitigates the risk of inappropriate use of Social Media by officers.</p>

<b>Engaging with individual citizens and service users effectively</b>	
<ul style="list-style-type: none"> <li>We publish details of consultations and petitions on our website</li> </ul>	<a href="#">Consultation &amp; Involvement</a>
<ul style="list-style-type: none"> <li>We have a strategy and policies for communication and Social Media</li> </ul>	<a href="#">Communication and Engagement Strategy</a>
<ul style="list-style-type: none"> <li>We have an active Tenant involvement group – Tenants Together which produces regular newsletters</li> </ul>	Tenants Survey 206 Tenant engagement events during 2024/25
<ul style="list-style-type: none"> <li>We have a Customer Engagement Officer to assist us in our work.</li> </ul>	Customer Engagement Officer – HS25
<ul style="list-style-type: none"> <li>Mid Devon Gypsy and Travelling Showpeople Forum established</li> </ul>	The Forum will usually take place twice a year, to enable the travelling community to find out more about planning, housing, and other matters in Mid Devon.

### Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits

How We Meet these Principles	Where You Can See Governance in action
<b>Defining outcomes</b>	
<ul style="list-style-type: none"> <li>We have an agreed Corporate Plan for 2024-2028</li> </ul>	The <a href="#">Corporate Plan for 2024-2028</a> was considered by all Policy Development Groups and recommended to Council for adoption by Cabinet and was duly adopted on 17 July 2024.
<b>Sustainable economic, social, and environmental benefits</b>	
<ul style="list-style-type: none"> <li>We have a capital asset management group which aims to maximise the return on our capital assets</li> </ul>	<a href="#">Asset Management &amp; Capital Strategy Plan</a> – currently being refreshed
<ul style="list-style-type: none"> <li>Optimising sustainability and taking a long-term view</li> </ul>	<a href="#">10 Year Management Plan for Open Spaces</a> <a href="#">Medium Term Financial Plan</a>
<ul style="list-style-type: none"> <li>We treat everyone fairly and equally.</li> </ul>	<a href="#">Equality and Diversity</a>

	The Equality Forum is chaired by the Corporate Performance and Improvement Manager and meets quarterly
<ul style="list-style-type: none"> <li>Climate Change Declaration made at Full Council on 26 June 2019</li> </ul>	<a href="#">Climate Change Strategy and Climate Action Plan</a> <a href="#">Climate And Sustainability Update</a> <a href="#">Mid Devon Air Quality Supplementary Planning Document (SPD)</a> <a href="#">Biodiversity Duty Action Plan</a> <a href="#">Non-Statutory Interim Planning Policy Statement: Climate Emergency</a> Regular progress reports are provided to the Environment Policy Development Group.

#### Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

How We Meet these Principles	Where You Can See Governance in action
<b>Determining interventions</b>	
<ul style="list-style-type: none"> <li>Our governance structure is based on Leader and Cabinet, with Policy Development Groups (PDGs) and Scrutiny Committee providing robust challenge.</li> </ul>	The Councils governance system has been the subject of debate at a number of meetings over the last couple of years.
<ul style="list-style-type: none"> <li>There is a 'call in' process for Scrutiny Committee, and reviews of performance are undertaken by the PDGs.</li> </ul>	Committee Report Procedure
<b>Planning interventions</b>	
<ul style="list-style-type: none"> <li>We have a calendar of dates for aid our development; supporting plans and reports are prepared for members, with reporting dates strictly adhered to.</li> </ul>	<a href="#">2024/25 Schedule of meetings</a>
<ul style="list-style-type: none"> <li>We publish details of consultations and petitions on our website.</li> </ul>	<a href="#">Consultation &amp; Involvement</a>

<ul style="list-style-type: none"> <li>• Key Performance Indicators have been established and approved for each service element; these are included in our service plan and are reported upon regularly to Committees</li> </ul>	<p>Regular reports on progress against the Corporate Plan including a set of agreed standard measures to Councillors and staff are reported to every Policy Development Group.</p>
<p><b>Optimising achievement of intended outcomes</b></p>	
<ul style="list-style-type: none"> <li>• We have a financial strategy in place. Finances are controlled via an annual budget and medium-term financial plans</li> </ul>	<p><a href="#">Medium Term Financial Plan</a></p>
<ul style="list-style-type: none"> <li>• Our budget setting and review process is all-inclusive, taking into account the full cost of operations over the medium and longer term</li> </ul>	<p>The budget and any options are taken through Cabinet, Scrutiny and the five Policy Development Groups.</p> <p>The Resident's survey includes a section on the upcoming Budget.</p>
<ul style="list-style-type: none"> <li>• Risk management and performance monitoring are key measures to support interventions.</li> </ul>	<p>Financial information is now regularly included in performance and risk reports</p>
<ul style="list-style-type: none"> <li>• The Audit Committee is supported by independent reports – for example Internal Audit assurance reports provided by Internal Audit (DAP), and the External Auditors' annual opinion on the statement of accounts.</li> </ul>	<p><a href="#">Audit Committee</a> meetings are held in a public forum</p> <p>The plans of work for both Internal and External Audit are considered and approved by the Committee.</p> <p>The Committee receives regular update reports from both sets of Auditors and will hold management to account for any correcting action that may be required</p> <p>Recommendations are tracked to completion to confirm control weaknesses are resolved.</p>

**Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it**

How We Meet these Principles	Where You Can See Governance in action
<b>Developing the entity's capacity</b>	
<ul style="list-style-type: none"> <li>We are committed to improving staff welfare; this in turn can have a positive effect on reducing our sickness absence, which is a direct cost to the Council.</li> </ul>	<a href="#">Staff Charter</a>
<ul style="list-style-type: none"> <li>All Managers have attended our Management Training Programme</li> </ul>	<p>A programme of training and briefing sessions for elected Members has been agreed to ensure Members remain up to date with current issues, are clear about their roles, and have sufficient information to make informed decisions.</p> <p>The qualifications, skills, behaviours and personal attributes required by staff in their roles are identified and documented, and reviewed regularly.</p> <p>Members have signed up to the Developing Your Leadership Potential Programme being run as part of a shared Member development service with other Devon and Somerset Authorities.</p> <p>The Workforce Data Report is presented to Leadership Team monthly and monitors key information about staff including turnover and vacancies by Directorate</p> <p>New staff members are required to complete a comprehensive suite of courses related to this and other related areas such as manual handling. There is a system to manage staff refresher training in these core modules.</p> <p>In October, three teams from Mid Devon District Council showcased their leadership and problem-solving skills at the South West Challenge for aspiring senior managers. One of our teams earned the Leadership Award and was also named runner-up in the 'Best Team' category for Performance. In addition, the team was a finalist in the remaining two categories: Best Skills and Communication.</p>

<b>Developing the capability of the entity's leadership and other individuals</b>	
<ul style="list-style-type: none"> <li>We provide all staff with job descriptions; these clearly set out their duties and document the personal qualities and attributes required for each post.</li> </ul>	<p>The current economic situation is likely to continue to cause a reduction in the number of staff employed by the Authority. We have identified that this presents a potential risk to our ability to retain the skills and experience needed.</p>
<ul style="list-style-type: none"> <li>We operate an appraisal scheme for all staff. This identifies development and skills needs and helps us assess performance.</li> </ul>	<p>The annual appraisal process is completed through the Learning Management System – The Learning Hub - and follows a corporate process.</p>
<ul style="list-style-type: none"> <li>We operate a protocol to govern the relationship between Members and officers which ensures good access to appropriate information.</li> </ul>	<p><a href="#">Constitution</a></p>
<ul style="list-style-type: none"> <li>We treat everyone fairly and equally.</li> </ul>	<p><a href="#">Equality, Diversity and Inclusion</a></p>
<ul style="list-style-type: none"> <li>We take the Health and Safety of our Staff extremely seriously.</li> </ul>	<p>We have a dedicated member of staff who's sole focus is the health and safety of our staff and customers. They attend sites and team meeting to critically review and add value to operational processes. H&amp;S awareness and mitigation is embedded within all service areas We hold regular internal Health and Safety Committee meetings</p>
<ul style="list-style-type: none"> <li>We provide new Members with induction training on appointment.</li> </ul>	<p>New Councillors Induction Programme</p>
<ul style="list-style-type: none"> <li>We evaluate the training needs of Members and run briefings on key topics to ensure they have the knowledge and information to make effective decisions.</li> </ul>	<p>Member Development Policy</p>
<ul style="list-style-type: none"> <li>The Chief Executive has an annual appraisal and is set performance targets by the Cabinet.</li> </ul>	<p>The Chief Executive has an annual appraisal by a Senior Member Panel, with the Head of People, Performance and Waste in attendance.</p>

**Principle F: Managing risks and performance through robust internal control and strong public financial management**

How We Meet these Principles	Where You Can See Governance in action
<b>Managing risk</b>	
<ul style="list-style-type: none"> <li>All reports to our Committees include a risk assessment; this is as part of the required components of our report template.</li> </ul>	Report Template The Leader's annual report to Scrutiny is mapped against the Corporate Plan priorities to make the link easier to see.
<ul style="list-style-type: none"> <li>Our Risk Management Policy was reviewed and approved by our Audit Committee.</li> </ul>	<a href="#">Risk Management Policy</a> (March 2024)
<ul style="list-style-type: none"> <li>Risks are identified and recorded on our risk register; these are allocated to appropriate named managers.</li> </ul>	<a href="#">Risk Report example</a> (March 2024)
<ul style="list-style-type: none"> <li>The Audit Committee actively monitors risks and controls at their meetings in accordance with guidance (i.e. Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013)).</li> </ul>	The Audit Committee received regular reports on the content of the corporate risk register to review and challenged the content.
<ul style="list-style-type: none"> <li>Our internal auditors (DAP) deliver a risk based internal audit service, providing assurance on control effectiveness against risks to delivery of business objectives.</li> </ul>	<a href="#">Devon Audit Partnership - Annual Report</a> The internal annual audit report and opinion supports this (see annual report presented to June 2024 Audit Committee).
<b>Managing performance</b>	
<ul style="list-style-type: none"> <li>Our Performance has been mapped to the Corporate Plan; all our Aims have performance measures.</li> </ul>	Performance is monitored through Cabinet, PDG and Scrutiny processes. (See <a href="#">April 2025 Cabinet Report</a> and <a href="#">Dashboards</a> as an example).

<ul style="list-style-type: none"> <li>Benchmarking information is included where available; a Council –wide subscription to ‘LG Inform Plus’ is improving the use of benchmarking and is regularly promoted at Corporate Manager Team meetings.</li> </ul>	<p>Performance is monitored through Cabinet, PDG and Scrutiny and Audit processes. (See <a href="#">April 2025 Cabinet Report</a> and <a href="#">Dashboards</a> as an example).</p>
<ul style="list-style-type: none"> <li>We have a calendar of dates for public meetings, and internally for submitting, publishing and distributing timely reports</li> </ul>	<p><a href="#">2024/25 Schedule of meetings</a></p>
<ul style="list-style-type: none"> <li>All agenda and minutes of Scrutiny Committee are published on our websites, including recordings of the meetings.</li> </ul>	<p><a href="#">Meetings, agendas, and minutes - MIDDEVON.GOV.UK</a></p>
<ul style="list-style-type: none"> <li>Performance and Risk Reports are provided to PDGs, Cabinet, Audit and Scrutiny Committees.</li> </ul>	<p>Performance is monitored through Cabinet, PDG and Scrutiny and Audit processes. (See <a href="#">April 2025 Cabinet Report</a> and <a href="#">Dashboards</a> as an example).</p>
<ul style="list-style-type: none"> <li>Our Leadership Team is committed to the performance framework.</li> </ul>	<p>Performance is monitored through Cabinet, PDG and Scrutiny and Audit processes. (See <a href="#">April 2025 Cabinet Report</a> and <a href="#">Dashboards</a> as an example).</p>
<p><b>Robust internal control</b></p>	
<ul style="list-style-type: none"> <li>Our Risk Management Policy is regularly reviewed and approved by Audit Committee.</li> </ul>	<p><a href="#">Risk Management Policy</a> (March 2024)</p>
<ul style="list-style-type: none"> <li>We have effective and up-to-date anti-fraud and corruption policies and procedures</li> </ul>	<p><a href="#">Anti Fraud, Bribery and Corruption and Whistleblowing policies</a></p>
<ul style="list-style-type: none"> <li>We have entered a partnership to provide our Internal Audit Service via Devon Audit Partnership.</li> </ul>	<p><a href="#">Devon Audit Partnership - Annual Report</a> The internal annual audit report and opinion supports this (see annual report presented to June 2024 Audit Committee).</p>

<ul style="list-style-type: none"> <li>• Our Audit Committee attend training offered internally and externally</li> </ul>	Update training provided in Summer 2023
<b>Managing data</b>	
<ul style="list-style-type: none"> <li>• We have Data Protection and Information Security Policies in place.</li> </ul>	Please see our <a href="#">website</a> .
<ul style="list-style-type: none"> <li>• We have mandatory Data Protection and Information Security training for all staff, Members and contractors (with access to our computer network)</li> </ul>	Learning Management System – The Learning Hub
<ul style="list-style-type: none"> <li>• We check performance information as part of every audit we do.</li> </ul>	DAP review and report relevant performance within their audit reports.
<b>Strong public financial management</b>	
<ul style="list-style-type: none"> <li>• We publish a Medium-Term Financial Strategy covering 5 years each year.</li> </ul>	<a href="#">Medium Term Financial Plan</a>
<ul style="list-style-type: none"> <li>• We publish Budget Monitoring Reports from July to February each year</li> </ul>	Item 147 - <a href="#">Agenda for Cabinet on Tuesday, 4th March, 2025, 5.15 pm - MIDDEVON.GOV.UK</a>
<ul style="list-style-type: none"> <li>• The budget book is published on the website</li> </ul>	<a href="#">Budgets - MIDDEVON.GOV.UK</a>

**Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

<b>How We Meet these Principles</b>	<b>Where You Can See Governance in action</b>
<b>Implementing good practice in transparency</b>	
<ul style="list-style-type: none"> <li>We publish our Statement of Accounts on our website.</li> </ul>	<a href="#">Statement of Accounts</a> Our 2023/24 statement of accounts was presented to, and agreed by, our Audit Committee on 21 January 2025 by our <a href="#">External Auditors</a> .
<b>Implementing good practices in reporting</b>	
<ul style="list-style-type: none"> <li>We report regularly on our performance to PDGs, Cabinet, Audit and Scrutiny Committees</li> </ul>	Performance is monitored through Cabinet, PDG and Scrutiny and Audit processes. (See <a href="#">April 2025 Cabinet Report</a> and <a href="#">Dashboards</a> as an example).
<ul style="list-style-type: none"> <li>We publish our Annual Governance Statement and Action Plan on our website and take Progress reports on the Action Plan to every audit Committee meeting.</li> </ul>	<a href="#">Annual Governance Statement</a>
<b>Assurance and effective accountability</b>	
<ul style="list-style-type: none"> <li>Our Internal Audit provider (Devon Audit Partnership (DAP)) comply with the CIPFA Statement on the Role of the Head of Internal audit.</li> </ul>	<a href="#">The Role of the Head of Internal Audit CIPFA</a>
<ul style="list-style-type: none"> <li>DAP have completed our annual self-assessment against the Public Sector Internal Audit Standards which has been externally validated. Our Internal Audit provider (Devon Audit Partnership (DAP)) comply with the CIPFA Statement on the Role of the Head of Internal audit</li> </ul>	<a href="#">Devon Audit Partnership External Validation of DAP</a>

## The Member Governance Framework

The Council operates and discharges its function via the Constitution which establishes the roles and responsibilities for Members of the Cabinet, Scrutiny Committee, Audit Committee and other Regulatory Committees.

In summary, the core functions of the main committees are described below.

### Full Council

- a. Received minutes of all other committees of the Council, including their annual reports
- b. Responded to regular questions from the public on a wide variety of issues.
- c. Approve the Constitution, key plans and strategies which together form the policy framework.
- d. Approved the annual budget including setting the annual Precept, Capital Programme and Prudential Indicators within the Treasury Management reports.
- e. Appoint to, and received updates from, members who represent the Council on outside bodies.
- f. Confirming the appointment of the Head of Paid Service; Chief Finance Officer and the Monitoring Officer and the taking of any disciplinary action against the these Officers.

### Cabinet

Cabinet carry out the role of the Executive as required by the Council's constitution. It is the main decision-making body. In terms of reviewing and monitoring the governance framework during 2024/25 Cabinet has:

- a) Received regular reports throughout the year on the Council's financial position, including the Medium Term Financial Strategy for 2025/26 to 2029/30, the budget for 2025/26 and recommended to Council its approval.
- b) Reviewed and approved key strategies and policies through the year.
- c) Exercise all of the local authority functions that are not the responsibility of any other part of the Council, by law or under the constitution.
- d) May delegate executive functions to:
  - I. A Committee of the Cabinet (comprising executive members only);
  - II. An individual Cabinet Member;
  - III. A joint committee;
  - IV. Another local authority or the executive of another local authority;
  - V. A delegated Officer

### Scrutiny

In terms of reviewing and monitoring the governance framework during 2024/25 the Scrutiny Committee has:

- a) Reviewed proposed strategy or policy documents and provided constructive comments to Cabinet.
- b) Received regular reports during the year on council performance.
- c) Received reports from each Cabinet Portfolio regarding their work over the last year.
- d) Received reports / updates on Complaints and Compliments, Whistleblowing, Regulation of Investigatory Powers Act (RIPA) and the staffing establishment,
- e) Received various motions put to the council.
- f) Reviewed and provided comment to Cabinet, on the draft budget for 2025/26 and medium-term financial strategy 2025/26 – 2029/30.
- g) Called in the decisions of Cabinet where members of the Committee have evidence which suggests that the Cabinet did not take the decision in accordance with their principles.
- h) Been kept properly informed of the Cabinet work programme and so allowed the Committee to fulfil its role of holding the Executive to account.

### AUDIT COMMITTEE

The Audit Committee is responsible for providing effective assurance on the adequacy of the governance framework. In terms of reviewing the governance framework, the Audit Committee has:

- a) Received regular reports on the content of the corporate risk register to review and challenged the content.
- b) Reviewed and approved the annual Statement of Accounts
- c) Reviewed the Council's Annual Governance Statement, to confirm the content accurately reflects the council's governance framework.
- d) Received regular reports on the work carried out by the Council's External Auditors.
- e) Received regular reports on the work of Internal Audit. This has allowed the committee to monitor their work and ensure the service is able to substantially deliver the audit plan.
- f) Received the Annual Report of the Internal Audit Manager. This provides the committee with the Audit Managers opinion on the effectiveness of the Council's internal control framework.